OGC HAS REVIEWED. 511 D Cours 18 July 1952 Assistant Chief, Fiscal Division Office of General Counsel STATINTL STATINTL 1. Reference is made to our recent conversation regarding the STATINTL T! alleged breach of contract by The Contractor was advised of the Government's rejection and request that the supplies concerned be taken back with appropriate credits to the account of the Government. The Contractor has not complied with this request but on the contrary has submitted an offer in compromise. 2. Inasmuch as the matter then becomes a claim for an unliquidated amount, the applicable law, 31 USC 71, requires that the matter be settled and adjusted in the General Accounting Office. There is no objection to this procedure inasmuch as the procurement involved is of an unclassified nature. STATINTL 3. It is my understanding that ____of the Contract Office is now preparing an administrative report on this matter for submission through your office to the General Accounting Office. STATINTL Assistant General Counsel OOC/JBK:imm Distribution -Orig - Addressee 2 - OGC

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